





The day started with a very well received keynote presentation from **Ingrid Woodward, former Global Customer Operations Director at AIG**. Levels of trust in insurance providers' remains low and to the public insurers largely remain faceless corporates. Insurance is not a product that customers enjoy buying and the perception (and still too often the reality) is that it is difficult and frustrating to make a claim, change a policy or get a decent deal on renewal.

*A renewed focus on customer engagement and the overall customer experience for insurance customers is long overdue.*

The attainment of omni-channel customer communications and achieving a single view of the customer seem central to creating a better customer experience: an insurer should be able to see all the points of contact made between a customer and the company (via phone, app or website) so when that customer picks up the phone, the person dealing with them can pick up the conversation from the 'same place'. People in the room were in different places on the road to achieving this: very few seem confident they had arrived.

In order to deliver transformation in customer service, transformations in the workforce and organisational culture are also required. Customer centricity has to start in the employee mindset if insurance providers are to deliver exceptional levels of customer service. Ingrid spoke passionately about how diversity and inclusion are at the heart of this. Without diversity in teams it is impossible to understand all of your customers: diversity in the workforce should reflect diversity in the customer base. If insurers can't make a change in the workforce and with it the culture of their organisations, they will fail to engage the customer - because they will fail to understand the customer.

*One key obstacle in achieving culture change is the continued focus on traditional KPI's and delivering on metrics which are often at odds with delivering good customer service.*

*Throughout the conference this theme was touched on time and time again.*

Data and analytics is not new to insurance - underwriters and actuaries have been analysing data to inform risk evaluation and pricing decisions for years. What's changed is how data can transform other areas of the business, and the ability to operationalise analytics and add value across the business: including customer engagement, and more specifically digital customer engagement: digital propositions are dependent on data ecosystems - harnessing data and using it effectively is fundamental.

## Some key ambitions and objectives identified were:

- ◆ Micro segmentation and achieving a single view of the customer are key areas for data driven engagement
- ◆ The ability to identify when to intervene in a customer journey is invaluable
- ◆ Moving away from commoditisation towards personalisation and increasingly tailored content, self-servicing, and technology and using social media to attain data and insights

## Key challenges we face are:

- ◆ Budget constraints
- ◆ Resistance to change in the organisation due to siloed mentality
- ◆ Customer perceptions of the industry

**An approach to these challenges that seems to be gaining momentum is to move away from huge, enterprise wide change programmes** to an approach that takes an incremental step at a time, but quickly - and to establish a rapid cycle, 'fail fast' culture that enables you to start again if it goes wrong, but keep what goes right - and respond to market changes more quickly and efficiently.



The session discussing 'moving towards a customer centric operating model' started by looking at the UK economy from an informative new perspective and asking the provocative question:

*"If we are richer than we have ever been, but the majority of people are underinsured, where is the disposable income being spent? Who is our real competition?"*

Looking at the challenges through this lens we can quickly identify successful companies like John Lewis or Jaguar Land Rover who are building customer focused organisations with marketing strategies and customer journeys that are helping them grow their businesses based on a relationship with the customer rather than a focus on the product. The challenge for insurance is to do the same - and compete on the same level.

*The first step is to identify segments where growth can occur - who has disposable income and is underinsured? The second step is to think about the ways in which to engage that audience - and how other sectors do it.*

Financial products can be difficult for consumers to understand so quite often this entails an education message rather than a simple sales message: if you can give advice that allows customers be clear about your products and how they apply to them, you will start to engage. An example given was a series of web tools that allow people to run scenarios on their retirement plans. Rather than a series of financial forecasts the customer can build a picture of how they would like to spend their retirement - and are given 'rules of thumb' around how much they would need to save in order to achieve this.

It was clear from the discussions that followed that the majority in the room had started on the journey of better engagement but there was still a long way to go. **One of the key challenges to emerge was effectively changing the organisational culture as well as systems and processes to enable customer engagement** – without employee engagement achieving better customer engagement was a lost cause.

People, processes, technology and organisational culture need to change to move from a product centric to a customer centric business: a theme picked up in Panel 1 which explored the key challenges in delivering a consistent, engaging customer journey in an omni-channel environment.

The discussion looked at how, by building great experiences throughout the customer journey, you can build deep relationships with customers to drive loyalty – and how that starts with listening to, and learning about, your customer – before taking action to drive impact.

One practical approach is to focus on ‘customer episodes’ to transform the customer journey, breaking down the journey into small episodes which are owned by individuals who have the responsibility to coordinate functions to come together to ensure the digital and physical elements of that episode are delivered. This helps to breakdown silos and enables a much more customer centric mindset.



Again, the engagement of employees were highlighted as a key challenge in transforming the customer journey. It is critical that organisations engage teams and employees to take ownership of the user experience – and give them the necessary tools and empower them to make decisions. The correlation between customer engagement, employee engagement and sustainable profitable growth is huge and is a critical area that needs to be invested in and ‘got right’.

Panel 2 – **‘successfully migrating from a low interaction to a high engagement model’** - also covered the link between customer and employee engagement, this time as part of a discussion around the challenges of achieving the nirvana of a seamless and effortless digital customer experience, with insurance policies in one place (and accessible wherever and whenever they are needed), and customers feeling like they are speaking to the same company regardless of whether it’s about motor, home, life - or anything else – and regardless of the channel they are interacting on.



**To achieve this nirvana there must be a level of integration that allows insurers to have a single view of the customer** and the customer to have this seamless experience – but there are significant process and technology challenges that need to be overcome before this is possible. However, once more the people challenges were also highlighted:

- ◆ What do employees need from the organisation to become more customer focused?
- ◆ How do you make them buy in to being a customer centric organisation that has a clear purpose and value?
- ◆ How can insurance companies ensure that the customers believe that the people working on the front line value them?

Moving to the afternoon Workshop 1, '**Achieving a single view of the customer to drive customer insight and engagement**' focused on the practical applications of data that can enable insurance providers to create personalised and enjoyable experiences for the customer: data previously used for the pricing the products can be used to gain insight into the customer .

Employees need to have a clear understanding of what data is available to them and what data they should be using. By attaining data on prospects before they become customers, by analysing past history, behaviours and past information, insurers can predict future behaviours and identify who is likely to convert (and who isn't) and allocate time and resource accordingly. However, it's important to avoid data overload: it is important to decide what data to use, what data is most valuable, and what is that data for?

Workshop 2 focussed on some of the challenges in delivering a consistent customer experience.

These were:

- 1) How do you get the basics right – effective segmentation and customer service delivery
- 2) Key challenges in delivering one single experience in an omni channel environment with many touch points
- 3) How can we listen at every opportunity?
- 4) Being authentic – but what does that actually mean?
- 5) Technology is the key facilitator
- 6) Measure the right metrics – which work and which don't?



**Ruth Polyblank explored ways in which Chubb had approached the challenges, citing examples of what had worked - and what had not.** Again the crucial role of employees was explored, discussed and debated.

The Closing Panel was mischievously entitled ‘can we change to survive?’ but that rhetorical question had the desired effect and triggered a conversation that was wide ranging and insightful – and it was **fascinating to have senior industry figures Mark Cliff of Brightside Group and Simon Cooter of Covea counterbalanced by disruptive start-up: Jimmy Williams, Founder and CEO, MyUrbanJungle.**

Customer Engagement has become a hot topic in the sector, not least because customer loyalty is a thing of the past and we are trying to engage customers with an insurance brand in a price fixated market – which is near impossible. Technological advances such as social media and mobile apps have made customers more powerful than they were before, and made it essential that insurers rethink how they engage with them – but also given them the tools with which to do so.



Insurers have the opportunity to use the data they have to micro-segment their customers and achieve this engagement. This means employing the right people and becoming data specialists to create insights into the customer. For the younger demographic, digital and social media will play a big part, but it also provides insurance providers with an opportunity to educate their younger customers on insurance and drive engagement in ways never possible before.

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We’d like to thank all of the speakers and attendees for contributing towards what we feel was a fascinating conference focused on how people, processes, technology and organisational culture need to change to truly engage the customer and drive profitable growth. The solutions and outcomes from the conference will help those in the room with their strategic response, but **there is still a long way to go before the industry can deliver the customer service and engagement levels achieved by telecoms and digital retailers...but there can be no doubt that the journey has started.**

This executive summary covering the key themes of Customer Engagement in Insurance 2016 was written by:



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